

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

STARRED QUESTION NO:48

ANSWERED ON:28.02.2008

PRICE OF NATURAL GAS

Chinta Mohan Dr. ;Suman Shri Ramji Lal

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has recently proposed to increase the price of natural gas produced by the public sector companies by 16 per cent;
- (b) if so, the facts in this regard and the reasons therefor; and
- (c) the formula/criteria adopted to fix the price of natural gas in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLI DEORA)

(a) to (c): A Statement is Laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF THE LOK SABHA STARRED QUESTION NO. 48 TO BE ANSWERED ON 28.2.2008 BY SHRI RAMJI LAL SUMAN AND DR. CHINTA HOHAN, MP REGARDING PRICE OF NATURAL GAS.

(a): No, Sir.

(b): Does not arise.

(c): The consumer price of APM gas was fixed at Rs. 3200 per Thousand Standard Cubic Metres (MSCM) with effect from 1-7-05 for power and fertilizers sectors, and Court-mandated and small scale consumers (i.e., those consuming up to 50,000 Standard Cubic Metres Per Day) on an ad hoc basis.

Subsequently, the price of natural gas for City Gas Distribution projects and small consumers was increased by 20% to Rs. 3840/MSCM with effect from 6th June 2006 as per the earlier Cabinet decision.

The price of gas for consumers in the North-East is 60% of that for the remaining country. Consequently, the price for power and fertilizers sector in North-East is Rs. 1920/MSCM and that for Court mandated and small consumers in the region is Rs. 2304/MSCM.